

CITY OF MILFORD, KANSAS

**FINANCIAL STATEMENT
WITH INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2011

CITY OF MILFORD, KANSAS

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Pottberg, Gassman & Hoffman, Chtd

INDEPENDENT AUDITORS' REPORT

To the Mayor and City Council
City of Milford
Milford, Kansas 66514

We have audited the summary statement of cash receipts, expenditures, and unencumbered cash balances of the City of Milford, Kansas, as of and for the year ended December 31, 2011. This financial statement is the responsibility of the City of Milford's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit Guide*. Those standards and guidance require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the City of Milford, Kansas has prepared this financial statement using accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these statutory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Milford, Kansas, as of December 31, 2011, or the changes in financial position and changes in cash flows, where applicable, for the year then ended. Further, the City of Milford has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be a part of, the basic financial statement.

In our opinion the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Milford, Kansas as of December 31, 2011, and the aggregate cash receipts and expenditures for the year then ended, on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the financial statement. The summary of expenditures-actual and budget, individual fund schedules of cash receipts and expenditures-actual and budget, schedule of cash receipts and expenditures-agency funds (Schedules 1, 2, and 3 as listed in the table of contents) are presented for analysis and are not a required part of the statutory financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has

been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statement as a whole.

Pottberg, Gassman & Hoffman, Chartered.

Pottberg, Gassman & Hoffman, Chartered
Junction City, Kansas
February 24, 2012

CITY OF MILFORD, KANSAS
SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Funds</u>	<u>Beginning</u> <u>Unencumbered</u> <u>Cash Balance</u>	<u>Prior Year</u> <u>Canceled</u> <u>Encumbrances</u>	<u>Cash</u> <u>Receipts</u>	<u>Expenditures</u>	<u>Ending</u> <u>Unencumbered</u> <u>Cash Balance</u>	<u>Add</u> <u>Outstanding</u> <u>Encumbrances</u> <u>and Accounts</u> <u>Payable</u>	<u>Ending</u> <u>Cash Balance</u>
General Fund	\$ 271,861	-	162,837	241,590	193,108	1,239	194,347
Special Revenue Funds:							
Ambulance and Firefighting	47,965	-	3,876	-	51,841	-	51,841
Special Highway	586	-	12,854	-	13,440	-	13,440
Parks and Recreation	16,283	-	1,860	-	18,143	-	18,143
Employee Benefits	55,047	-	47,065	10,735	91,377	-	91,377
Debt Service Fund:							
Community Building Sinking	3,994	-	-	-	3,994	-	3,994
Capital Projects Funds:							
Capital Improvements	147,906	-	6,912	-	154,818	-	154,818
Enterprise Funds:							
Water Utility	56,337	-	103,662	60,942	99,057	-	99,057
Sewer Utility	93,755	-	63,855	37,290	120,320	-	120,320
Gas Utility	60,527	-	167,582	144,898	83,211	-	83,211
Gas Security Deposit	15,465	-	13,840	11,570	17,735	-	17,735
Sewer Reserve	3,806	-	-	-	3,806	-	3,806
Total Primary Government (Excluding Agency Fund)	\$ 773,532	-	584,343	507,025	850,850	1,239	852,089
Composition of Cash:							
			Checking and Savings Certificates of Deposit Agency Fund				\$ 386,555
			Total Primary Government (Excluding Agency Fund)				466,312
							(778)
							\$ 852,089

The notes to the financial statement are an integral part of this statement.

CITY OF MILFORD, KANSAS

NOTES TO FINANCIAL STATEMENT DECEMBER 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

The City of Milford, Kansas is a municipal corporation governed by an elected five-member council and mayor. The City provides the following services as authorized by its charter: public works, recreation and waterworks. This financial statement presents the City of Milford, Kansas.

The accounting and reporting policies of the City relating to the financial statement and the funds and account groups included in the accompanying supplemental information conform to the cash basis and budget laws of the State of Kansas. The more significant accounting policies of the City are described below.

B. Fund Accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific regulations, restrictions, or limitations. Certain funds contain restricted cash because their use is limited by debt covenants, statutory requirements, grant requirements or are held in a fiduciary or agency capacity.

The following types of funds comprise the financial activities of the City for the year of 2011:

Governmental Funds:

General Fund – The General Fund is the main operating fund of the City. This Fund is used to account for all financial resources not accounted for in other funds, and is therefore unrestricted.

Special Revenue Funds – The Special Revenue Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are restricted by law to expend for specified purposes.

Debt Service Fund – The Bond and Interest Fund is used to account for the accumulation of resources, including tax levies, transfers from other funds, and payment of interest and principal on general long-term debt.

Capital Project Funds – The Capital Project Funds are used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Enterprise Funds – The Enterprise Funds are financed in whole or in part by fees charged to users of the goods or services. These funds include: Water Utility Fund, Sewer Utility Fund, Gas Utility Fund, Gas Security Deposit Fund and Sewer Reserve Fund.

Fiduciary Funds – The Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs.

CITY OF MILFORD, KANSAS

NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2011

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. Statutory Basis of Accounting

The statutory basis of accounting, as used in the preparation of this statutory basis financial statement and supplementary schedules, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the statutory basis of accounting.

D. Departure from Generally Accepted Accounting Principles

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, and cash and unencumbered cash balances. Balance sheets that would have shown non-cash assets such as receivables, inventories and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of the fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings and equipment owned by the City are not presented in the financial statement. Also long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statement.

E. Budgetary Information

The City Charter establishes the fiscal year as the twelve-month period beginning January 1. The Mayor and City Council prepare a budget of estimated expenditures and receipts for the ensuing fiscal year in accordance with State of Kansas Statutes. These statutes require that an annual operating budget be adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- Preparation of the budget for the succeeding calendar year on or before August 1st.
- Publication in the local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- Adoption of the final budget on or before August 25th.

CITY OF MILFORD, KANSAS

NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Information (continued)

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, receipts are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or a contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for agency funds, capital project funds, and the following debt service fund and enterprise funds: Community Building Sinking, Gas Security Deposit, and Sewer Reserve. Budgetary information is presented in the supplemental schedules.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by use of internal spending limits established by the governing body.

2. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint

CITY OF MILFORD, KANSAS

NOTES TO FINANCIAL STATEMENT **DECEMBER 31, 2011**

2. DEPOSITS AND INVESTMENTS (Continued)

custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has no designated 'peak period.' All deposits were legally secured at December 31, 2011.

At December 31, 2011 the carrying amount of the City's deposits, including certificates of deposit, was \$852,089 and the bank balances were \$858,009. Of the bank balances, \$602,433 were covered by federal depository insurance, and \$255,576 were collateralized with securities held by the pledging financial institutions' agents in the City's name.

3. DEFINED BENEFIT PENSION PLAN

Plan Description. The City of Milford, Kansas contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary for employees hired prior to July 1, 2009 and 6% of covered salary for employees hired on or after July 1, 2009. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established for calendar year 2011 was 7.74%. Included in this rate is the contribution for Group Death and Disability Insurance of 1.0%. From April 1 through June 30, 2011, there was a moratorium on the collection of the premium of 1.0% for the Group Death and Disability Insurance. The City's employer contributions to KPERS for the year ending December 31, 2011, 2010 and 2009 were \$5,304, \$4,996 and \$4,288 respectively, equal to the required contributions for each year as set forth by the legislature.

4. RISK MANAGEMENT

The City of Milford, Kansas is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To insure against risk of these types of losses, the City has purchased commercial insurance coverage. Settled claims resulting from these risks have not exceeded commercial coverage in the past three fiscal years.

5. LITIGATION

As of February 24, 2012, the City has no claims which are expected to have a material effect on the entity.

6. INTERFUND TRANSACTIONS

There were no operating transfers for the year ended December 31, 2011.

CITY OF MILFORD, KANSAS

NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2011

7. COMPENSATED ABSENCES

The City's policy allows employees to accumulate vacation and sick leave as follows:

Vacation Time:

<u>Years of Service</u>	<u>Accrual per Month</u>	<u>Maximum Accrual</u>
0-5 years	6.67 hours	80 hours
6-10 years	8.0 hours	96 hours
11-15 years	10.0 hours	120 hours
Over 15 years	12.0 hours	144 hours

Sick Leave:

Sick leave is accrued at a rate of 8.0 hours per month for all employees, up to a maximum of 720 hours. Sick leave accumulated is not paid to employees upon termination of employment.

The dollar amount of accrued vacation time at December 31, 2011 was \$2,345.

8. OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

9. 2010 FINANCIAL DATA

The amounts shown for 2010 in the supplemental information are included where practicable, only to provide a basis for comparison with 2011, and are not intended to present all information necessary for a fair presentation in accordance with accounting principles generally accepted in the United States of America. Rounding variances may also exist between amounts reported for the 2010 calendar year in the supplemental information and the amounts reported in the 2010 audited financial statements.

10. SUBSEQUENT EVENTS

The City evaluated subsequent events through February 24, 2012, the date on which the financial statements were available to be issued. On January 12, 2012, the mayor and city council approved an ordinance calling for an election on the selling of the City's gas utility system to Black Hills Energy. On February 21, 2012 the voters approved the potential sale of the gas utility. The City is currently awaiting approval of the sale by the Kansas Corporation Commission. Upon approval and completion of the sale, the City will be liable for remitting all collected gas security deposits, plus interest at the rate set annually by the Kansas Corporation Commission, to the City's current energy customers.

SUPPLEMENTAL INFORMATION

CITY OF MILFORD, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over (Under)</u>
General Fund	\$ 294,265	-	294,265	241,590	(52,675)
Special Revenue Funds:					
Ambulance and Firefighting	8,935	-	8,935	-	(8,935)
Special Highway	13,418	-	13,418	-	(13,418)
Parks and Recreations	25,000	-	25,000	-	(25,000)
Employee Benefits	46,600	-	46,600	10,735	(35,865)
Capital Projects Funds:					
Capital Improvements	27,610	-	27,610	-	(27,610)
Enterprise Funds:					
Water Utility	78,000	-	78,000	60,942	(17,058)
Sewer Utility	46,000	-	46,000	37,290	(8,710)
Gas Utility	170,000	-	170,000	144,898	(25,102)

CITY OF MILFORD, KANSAS

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2011
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2010)

	2010	2011		Variance -
		Actual	Budget	Over
GENERAL FUND	Actual			(Under)
Cash Receipts:				
Taxes				
Ad Valorem Property Tax	\$ 25,007	28,848	28,626	222
Delinquent Tax	546	551	-	551
Motor Vehicle Tax	5,810	3,612	3,175	437
Countrywide Sales Tax	45,455	45,430	50,000	(4,570)
Recreational Vehicle Tax	94	44	45	(1)
Intergovernmental Revenue				
Local Alcohol and Liquor Tax	3,756	1,861	3,500	(1,639)
Licenses and Permits				
Licenses and Permits	6,125	5,518	1,400	4,118
Utility Franchise Fees	17,341	18,011	13,000	5,011
Charges for Services				
Sanitation	43,834	41,886	39,800	2,086
Use of Money and Property				
Interest	9,620	8,665	12,000	(3,335)
Miscellaneous				
Other Receipts and Donations	8,796	8,380	12,000	(3,620)
Capital Outlay	10,704	31	7,900	(7,869)
Total Cash Receipts	<u>177,088</u>	<u>162,837</u>	<u>171,446</u>	<u>(8,609)</u>
Expenditures:				
General and Administrative				
Personal Services	26,079	24,410	35,000	(10,590)
Contractual Services	25,197	29,193	21,500	7,693
Commodities	12,603	8,333	12,000	(3,667)
Capital Outlay	15,700	128,419	48,565	79,854
Fire				
Contractual Services	447	-	4,000	(4,000)
Commodities	521	4,143	5,500	(1,357)
Capital Outlay	-	5,999	-	5,999
Park				
Contractual Services	816	-	3,915	(3,915)
Commodities	1,087	816	3,045	(2,229)
Capital Outlay	-	-	1,740	(1,740)
Sanitation				
Contractual Services	41,005	39,608	40,000	(392)
Building Maintenance	-	-	2,000	(2,000)
Street Repair	846	669	2,000	(1,331)
Capital Outlay	-	-	115,000	(115,000)
Total	<u>\$ 124,301</u>	<u>241,590</u>	<u>294,265</u>	<u>(52,675)</u>
Receipts Over (Under) Expenditures	52,787	(78,753)		
Unencumbered Cash, January 1	<u>219,074</u>	<u>271,861</u>		
Unencumbered Cash, December 31	<u>\$ 271,861</u>	<u>193,108</u>		

CITY OF MILFORD, KANSAS

SPECIAL REVENUE FUNDSSCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETFOR THE YEAR ENDED DECEMBER 31, 2011(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2010)

	2010	2011		Variance -
				Over
	Actual	Actual	Budget	(Under)
<u>AMBULANCE AND FIREFIGHTING</u>				
Cash Receipts:				
Ad Valorem Tax	\$ 4,463	3,259	3,233	26
Delinquent Tax	50	38	-	38
Motor Vehicle Tax	489	571	567	4
Recreational Vehicle Tax	11	8	8	-
Miscellaneous Revenue	85	-	-	-
Total Cash Receipts	<u>5,098</u>	<u>3,876</u>	<u>3,808</u>	<u>68</u>
Expenditures:				
Commodities	-	-	1,435	(1,435)
Capital Outlay	-	-	7,500	(7,500)
Total Expenditures	<u>-</u>	<u>-</u>	<u>8,935</u>	<u>(8,935)</u>
Receipts Over (Under) Expenditures	5,098	3,876		
Unencumbered Cash, January 1	<u>42,867</u>	<u>47,965</u>		
Unencumbered Cash, December 31	<u>\$ 47,965</u>	<u>51,841</u>		
<u>SPECIAL HIGHWAY</u>				
Cash Receipts:				
State Payments and Other	\$ 11,837	12,854	11,640	1,214
Expenditures:				
Street Expense	13,029	-	13,418	(13,418)
Receipts Over (Under) Expenditures	(1,192)	12,854		
Unencumbered Cash, January 1	<u>1,778</u>	<u>586</u>		
Unencumbered Cash, December 31	<u>\$ 586</u>	<u>13,440</u>		

CITY OF MILFORD, KANSAS

SPECIAL REVENUE FUNDSSCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETFOR THE YEAR ENDED DECEMBER 31, 2011(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2010)

	<u>2010</u>	<u>2011</u>		<u>Variance -</u>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
				<u>(Under)</u>
<u>PARKS AND RECREATION</u>				
Cash Receipts:				
Local Alcohol and Liquor Tax	\$ 3,757	1,860	2,456	(596)
Expenditures:				
Park Board Expenses	-	-	25,000	(25,000)
Receipts Over (Under) Expenditures	3,757	1,860		
Unencumbered Cash, January 1	12,526	16,283		
Unencumbered Cash, December 31	\$ 16,283	18,143		
<u>EMPLOYEE BENEFITS</u>				
Cash Receipts:				
Ad Valorem Tax	\$ 24,450	43,165	42,833	332
Delinquent Tax	410	265	-	265
Motor Vehicle Tax	3,894	3,591	3,104	487
Recreational Vehicle Tax	96	44	43	1
Total Cash Receipts	28,850	47,065	45,980	1,085
Expenditures:				
Payroll Taxes Remitted	5,352	5,247	7,000	(1,753)
KPERS Remittances	4,996	5,304	4,500	804
Unemployment Tax	1,155	184	100	84
Health Insurance	-	-	35,000	(35,000)
Total Expenditures	11,503	10,735	46,600	(35,865)
Receipts Over (Under) Expenditures	17,347	36,330		
Unencumbered Cash, January 1	37,700	55,047		
Unencumbered Cash, December 31	\$ 55,047	91,377		

CITY OF MILFORD, KANSAS

DEBT SERVICE FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>COMMUNITY BUILDING SINKING*</u>		
Cash Receipts	\$ -	-
Expenditures:	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, January 1	3,994	3,994
Unencumbered Cash, December 31	<u>\$ 3,994</u>	<u>3,994</u>

* Not Budgeted

CITY OF MILFORD, KANSAS

CAPITAL IMPROVEMENTS FUNDS

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

FOR THE YEAR ENDED DECEMBER 31, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2010)

	2010	2011		Variance -
				Over
				(Under)
<u>CAPITAL IMPROVEMENTS FUND</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts:				
Ad Valorem Tax	\$ 33,567	2,775	2,754	21
Delinquent Tax	177	-	-	-
Motor Vehicle Tax	3,080	4,082	4,261	(179)
Recreational Vehicle Tax	66	55	59	(4)
Total Cash Receipts	<u>36,890</u>	<u>6,912</u>	<u>7,074</u>	<u>(162)</u>
Expenditures:				
Capital Improvements	<u>-</u>	<u>-</u>	<u>27,610</u>	<u>(27,610)</u>
Receipts Over (Under) Expenditures	36,890	6,912		
Unencumbered Cash, January 1	<u>111,016</u>	<u>147,906</u>		
Unencumbered Cash, December 31	<u>\$ 147,906</u>	<u>154,818</u>		

CITY OF MILFORD, KANSAS

ENTERPRISE FUNDS

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

FOR THE YEAR ENDED DECEMBER 31, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2010)

	2010	2011		Variance - Over (Under)
	Actual	Actual	Budget	
<u>WATER UTILITY</u>				
Cash Receipts:				
Water Sales and Hookups	\$ 107,002	103,662	100,000	3,662
Expenditures:				
Personal Services	19,590	18,375	23,000	(4,625)
Contractual Services	48,053	22,358	18,000	4,358
Commodities	17,996	18,245	28,000	(9,755)
Capital Outlay	-	-	9,000	(9,000)
Water Improvement Lease Purchase	10,117	1,964	-	1,964
Total Expenditures	95,756	60,942	78,000	(17,058)
Receipts Over (Under) Expenditures	11,246	42,720		
Unencumbered Cash, January 1	45,091	56,337		
Unencumbered Cash, December 31	\$ 56,337	99,057		
<u>SEWER UTILITY</u>				
Cash Receipts:				
Sewer Maintenance Collections	\$ 64,322	63,855	75,000	(11,145)
Expenditures:				
Personal Services	15,326	13,916	13,000	916
Contractual Services	20,620	18,731	15,000	3,731
Commodities	14,725	4,643	3,000	1,643
Capital Outlay	-	-	15,000	(15,000)
Total Expenditures	50,671	37,290	46,000	(8,710)
Receipts Over (Under) Expenditures	13,651	26,565		
Unencumbered Cash, January 1	80,104	93,755		
Unencumbered Cash, December 31	\$ 93,755	120,320		

CITY OF MILFORD, KANSAS

ENTERPRISE FUNDS

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

FOR THE YEAR ENDED DECEMBER 31, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2010)

	2010	2011		Variance -
	Actual	Actual	Budget	Over (Under)
<u>GAS UTILITY</u>				
Cash Receipts:				
Sale of Gas, Hookups, and Turn-ons	\$ 180,045	167,582	174,150	(6,568)
Expenditures:				
Personal Services	13,386	15,859	12,500	3,359
Contractual Services	142,528	124,573	150,000	(25,427)
Commodities	2,091	4,466	2,500	1,966
Capital Outlay	-	-	5,000	(5,000)
Total Expenditures	158,005	144,898	170,000	(25,102)
Receipts Over (Under) Expenditures	22,040	22,684		
Unencumbered Cash, January 1	38,487	60,527		
Unencumbered Cash, December 31	\$ 60,527	83,211		

CITY OF MILFORD, KANSAS

ENTERPRISE FUNDS

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2010)

	2010 Actual	2011 Actual
<u>GAS SECURITY DEPOSIT*</u>		
Cash Receipts:		
Deposits Collected	\$ 16,775	13,825
Interest	41	15
Total Cash Receipts	<u>16,816</u>	<u>13,840</u>
Expenditures:		
Deposits Remitted	18,061	11,508
Interest Paid on Deposits	104	62
Total Expenditures	<u>18,165</u>	<u>11,570</u>
Receipts Over (Under) Expenditures	(1,349)	2,270
Unencumbered Cash, January 1	<u>16,814</u>	<u>15,465</u>
Unencumbered Cash, December 31	<u>\$ 15,465</u>	<u>17,735</u>
<u>SEWER RESERVE*</u>		
Cash Receipts	\$ -	-
Expenditures:	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, January 1	<u>3,806</u>	<u>3,806</u>
Unencumbered Cash, December 31	<u>\$ 3,806</u>	<u>3,806</u>

* Not Budgeted

CITY OF MILFORD, KANSAS

AGENCY FUNDSCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUALFOR THE YEAR ENDED DECEMBER 31, 2011(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>SALES TAX FUND*</u>		
Cash Receipts:		
Sales Tax Collected	<u>\$ 3,158</u>	<u>3,141</u>
Expenditures:		
Sales Tax Remitted	<u>3,262</u>	<u>3,093</u>
Receipts Over (Under) Expenditures	(104)	48
Unencumbered Cash, January 1	<u>834</u>	<u>730</u>
Unencumbered Cash, December 31	<u><u>\$ 730</u></u>	<u><u>778</u></u>

* Not Budgeted